

5.300 ENERGY EFFICIENCY CHARGE**5.301 Applicability**

This rule shall govern the calculation of the Energy Efficiency Charge rates, pursuant to 30 V.S.A. § 209(d)(3). This rule does not address the annual budget for the Energy Efficiency Utility program, which shall be determined in a separate Board process.

5.302 Definitions

- (A) BED means the City of Burlington Electric Department.
- (B) Board means the Vermont Public Service Board.
- (C) Commercial Customers means all non-residential customers using less than 1000 kW of electrical demand service per month for all months during the preceding calendar year or for the most recent preceding twelve-month period.
- (D) Contract Administrator means the person or entity designated by the Board to assist the Board with the administration of the Board's contract with the entity serving as the EEU.
- (E) Customer Credit Program means a particular set of energy efficiency services offered by the EEU, referred to as the Customer Credit Program or Customer Credit Initiative, that was originally approved by the Board in its September 30, 1999, Order in Docket 5980 and subsequently modified, and as may be further modified in the future.
- (F) DPS means the Vermont Department of Public Service.
- (G) EEU means the statewide Energy Efficiency Utility created by the Board pursuant to 30 V.S.A. § 209(d)(2).
- (H) EEU Fund means the Energy Efficiency Utility Fund, which is comprised of the funds collected via the Energy Efficiency Charge and is administered by the Fiscal Agent.
- (I) Electric bill or bill means that portion of a customer's invoice from a Vermont electric distribution utility comprised of charges for retail electric service (whether pursuant to a tariff or a special contract), and any applicable surcharges.
- (J) Electric distribution utility means any company, as defined in 30 V.S.A. § 201(a), subject to regulation by the Board, which sells electricity to retail customers in Vermont.
- (K) Energy Efficiency Charge means the charge on retail customers' electric bills, pursuant to 30 V.S.A. § 209(d)(3), the proceeds from which are used to fund energy efficiency services delivered in multiple electric distribution utility service territories.
- (L) Fiscal Agent means the fund administrator for the funds collected via the Energy Efficiency Charge, pursuant to 30 V.S.A. § 209(d)(3).
- (M) Generation Displacement means the displacement of a customer's own generation of electricity by electricity supplied by an electric distribution utility, where otherwise the customer could meet its needs through its own existing generation.

- (N) Industrial Customers means all non-residential customers using 1,000 kW or more of electrical demand service per month for any month during the preceding calendar year or for the most recent preceding twelve-month period.
- (O) Rate Revenues means the revenues an electric distribution utility receives from its retail electric sales.
- (P) Residential Customers means all customers to whom electricity is supplied for residential or domestic purposes, consistent with each electric distribution utility's tariffs for residential service.
- (Q) Station Service means electricity service provided to generating stations by an electric distribution utility at times when the generating station is not producing electricity for itself.
- (R) Vermont Marble means the Vermont Marble Power Division of OMYA, Inc.

5.303 General Terms

- (A) The Energy Efficiency Charge shall be established at constant rates for 12 calendar months, beginning with bills rendered on or after February 1 of each year, with no proration, using the methodologies set out in Sections 5.305(E) and 5.305(F). However, for good cause, the Board may change by Order the Energy Efficiency Charge rates during any 12-calendar-month period, after providing an opportunity for public comment.
- (B) All retail customers' electric bills shall be subject to, and shall be used in the calculation of, the Energy Efficiency Charge, except bills for (1) service provided under generation displacement contracts to customers who do not receive energy efficiency services; (2) station service exempted by the Board in its October 15, 2004, Order in Docket 6987; (3) service provided under any other special contracts specifically exempted by the Board in its October 15, 2004, Order in Docket 6987, and successors to those contracts, if specifically exempted by the Board at the time that such successor contracts are approved; and (4) any service specifically exempted by Board Order, for good cause shown, with explicit reference to this Rule.
- (C) Payment of the Energy Efficiency Charge by customers of an electric distribution utility is a requirement for service and is subject to applicable law and Board rules, including but not limited to those rules governing deposit and disconnection for non-payment.
- (D) The Energy Efficiency Charge shall be shown on at least a single line on bills sent by all electric distribution utilities to customers.
- (E) To the extent applicable to the Energy Efficiency Charge, each electric distribution utility shall bill and remit the sales tax on the Energy Efficiency Charge in the same manner as it otherwise bills and remits the sales tax.

5.304 Information Needed to Calculate the Energy Efficiency Charge Rates

- (A) The methodologies for calculating the Energy Efficiency Charge rates (set forth in Section 5.305) shall use information regarding the total amount to be collected statewide

via the Energy Efficiency Charge for energy efficiency services, and the total amount to be collected in BED's service territory via the Energy Efficiency Charge for energy efficiency services. The total amount to be collected statewide and the total amount to be collected in BED's service territory will be determined by the Board in separate processes.

- (B) The methodologies for calculating the Energy Efficiency Charge rates shall use kWh and kW sales and revenue data from the most recent calendar year for which complete information is available. Some of this information shall be obtained from either the FERC Form 1 or the Annual Report that is required to be filed with the DPS by each electric distribution utility. The specific information to be obtained from these reports shall be:

- Total Rate Revenues
- Rate Revenues from Residential Customers
- kWh Sales to Residential Customers
- Dollar Value associated with Vermont Marble's power deliveries to OMYA (listing each customer class separately)
- kWh Deliveries associated with Vermont Marble's power deliveries to OMYA (listing each customer class separately)
- Such other information as the Board may deem necessary for the calculation of the Energy Efficiency Charge

Additional kWh and kW sales and revenue data from the most recent calendar year for which complete information is available shall be provided by each electric distribution utility to the Board and the DPS, on or before September 15 of each calendar year, using the electronic and/or paper format designated by the Board for this purpose. The specific information to be provided by each electric distribution utility shall be:

- Rate Revenues from Residential Customers Exempt from Paying the Energy Efficiency Charge, if any
- kWh Sales to Residential Customers Exempt from Paying the Energy Efficiency Charge, if any
- Rate Revenues from Commercial Customers Exempt from Paying the Energy Efficiency Charge, if any
- kWh Sales to Commercial Customers Exempt from Paying the Energy Efficiency Charge, if any
- Rate Revenues from Industrial Customers Exempt from Paying the Energy Efficiency Charge, if any
- kWh Sales to Industrial Customers Exempt from Paying the Energy Efficiency Charge, if any
- Rate Revenues from Commercial Customers
- kWh Sales to Commercial Customers
- Energy Revenues from Demand-Billed Commercial Customers
- Demand Revenues from Demand-Billed Commercial Customers
- kWh Sales to Demand-Billed Commercial Customers
- Billed Peak kW Sales to Demand-Billed Commercial Customers
- Rate Revenues from Industrial Customers
- kWh Sales to Industrial Customers

- Energy Revenues from Demand-Billed Industrial Customers
- Demand Revenues from Demand-Billed Industrial Customers
- kWh Sales to Demand-Billed Industrial Customers
- Billed Peak kW Sales to Demand-Billed Industrial Customers
- Such other information as the Board may deem necessary for the calculation of the Energy Efficiency Charge

After provision of notice and opportunity to comment to DPS and the electric distribution utilities, the Board may modify, in a manner applicable to all electric distribution utilities, the foregoing list of information to be provided by those utilities.

- (C) The methodologies for calculating the Energy Efficiency Charge rates shall use information regarding utility uncollectible amounts related to the Energy Efficiency Charge. Most of this information shall be provided by each electric distribution utility to the Board, the DPS, and the Contract Administrator on or before September 15 of each calendar year, using the electronic and/or paper format designated by the Board for this purpose. The remaining information shall be provided by the Contract Administrator to the Board and the DPS on or before September 15 of each calendar year, using the electronic and/or paper format designated by the Board for this purpose.

1. The specific information to be provided by each electric distribution utility shall be:
 - The actual amount of uncollectibles related to the Energy Efficiency Charge for the first eight months of the current calendar year. In determining uncollectible amounts attributable to the Energy Efficiency Charge, an electric distribution utility may include, after exhausting reasonably available remedies, a partial non-payment of a bill by a customer, provided that the only portion of such non-payment attributed to the Energy Efficiency Charge is that amount determined by multiplying the partial non-payment by a fraction with the numerator consisting of the Energy Efficiency Charge amount on the bill and the denominator consisting of the total amount on the bill. If a utility's billing system does not allow the actual amount of non-payments attributed to the Energy Efficiency Charge to be easily determined, a utility may calculate the amount of uncollectible amounts attributed to the Energy Efficiency Charge by multiplying the utility's total amount of uncollectible amounts by a fraction with the numerator consisting of the utility's Energy Efficiency Charge billings and the denominator consisting of the utility's retail billings for the same time period.
 - A reasonable estimate of the uncollectibles related to the Energy Efficiency Charge for the remaining four months of the current calendar year.
 - A carrying charge for uncollectibles related to the Energy Efficiency Charge for the current calendar year. This charge shall be calculated by multiplying the uncollectibles related to the Energy Efficiency Charge for the current calendar year by either the electric distribution utility's Allowance for Funds Used During Construction rate or, if the electric distribution utility does not have such a rate, the electric distribution utility's short-term borrowing rate.
2. The specific information to be provided by the Contract Administrator shall be:

- The difference between the prior year's estimate of the uncollectibles related to the Energy Efficiency Charge for the last four months of the prior calendar year and the actual uncollectibles related to the Energy Efficiency Charge for that period. This difference shall be calculated by subtracting the prior year's estimate from the sum of the actual amounts provided by the distribution utilities when they requested reimbursement for their prior year's uncollectibles related to the Energy Efficiency Charge pursuant to Section 5.310. The result may be a positive or negative number.
- (D) The methodologies for calculating the Energy Efficiency Charge rates shall use information regarding previous over- and under-collections of the Energy Efficiency Charge. This information shall be provided by the Contract Administrator, working with the Fiscal Agent, to the Board and DPS, on or before September 15 of each calendar year, using the electronic and/or paper format designated by the Board for this purpose. The specific information to be provided by the Contract Administrator shall be:
- Year 1: A reasonable estimate of over- or under-collections for the current calendar year for each rate class — residential, commercial, and industrial. Because of the two-month lag between when the Energy Efficiency Charge is applied to billing determinants and when the Fiscal Agent actually receives the funds, collections for the current calendar year will actually occur from March of the current calendar year through February of the following calendar year. The estimate of over- or under-collections shall be determined based upon a comparison of
 - (a) the sum of the Fiscal Agent's actual collections for March through August of the current calendar year plus the Contract Administrator's estimates of the Fiscal Agent's collections for September of the current calendar year through February of the following calendar year; and
 - (b) the amount authorized to be collected via the Energy Efficiency Charge over the time period described in item (a) above.
- Over-collections occur when the estimate in item (a) above exceeds the amount authorized to be collected in item (b) above. Under-collections occur when the amount authorized to be collected in item (b) above exceeds the estimate in item (a).
- Year 2: The difference between the prior year's estimate of the over- or under-collections for the prior calendar year and the actual over- or under-collections for that period for each rate class — residential, commercial, and industrial. This difference shall be calculated by subtracting the prior year's estimate for each rate class from the actual amount for each rate class. In these calculations, over-collections shall be positive numbers and under-collections shall be negative numbers. The result of the calculations may be positive or negative numbers.
- (E) For the year 2007, and any subsequent second year following the expiration of a contract between the Board and an entity serving as the EEU, the methodologies for calculating the Energy Efficiency Charge rates shall use information regarding funds previously raised by the Energy Efficiency Charge which exceed the amount which the EEU has spent plus the amount which it has not spent but is obligated to pay (these are referred to as "Uncommitted Funds;" this term is precisely defined in Section 5.305(D)(22)). The Board shall calculate the amount of Uncommitted Funds no later than six months after

the end of 2005 and any subsequent year in which a contract between the Board and an entity serving as the EEU expires.

5.305 Calculation Methodology

- (A) The Energy Efficiency Charge rates shall be calculated on a statewide basis, except for the service territory of BED.
- (B) The Energy Efficiency Charge shall be designed to raise the total amount to be collected for statewide energy efficiency services plus the additional amount of the gross revenue tax (30 V.S.A. § 22) and fuel gross receipts or "weatherization" tax (33 V.S.A. § 2503) applicable to the Energy Efficiency Charge, adjusted for (1) electric distribution utility uncollectibles associated with the Energy Efficiency Charge, and (2) over- or under-collection of the Energy Efficiency Charge in prior years.
- (C) The Energy Efficiency Charge shall not be designed to raise, and shall not include, the sales and use tax (32 V.S.A. § 9971(2)).
- (D) The methodologies for calculating the Energy Efficiency Charge rates for all electric distribution utilities' service territories are detailed in Sections 5.305(E) and 5.305(F). The specific terms used in these methodologies shall have the following meanings for the purpose of this rule.
1. When BED is used immediately preceding another defined term, it means the defined term shall include only information related to BED's service territory.
 2. BED Budget means the total amount to be collected in BED's service territory via the Energy Efficiency Charge for energy efficiency services, as determined by the Board.
 3. When Commercial is used in conjunction with another defined term, it means the defined term shall include only information related to Commercial Customers.
 4. Demand-Billed Billed Peak kW Sales means the billed peak kW sales to demand-billed customers provided by electric distribution utilities pursuant to Section 5.304(B).
 5. Demand-Billed Demand Revenues means the demand revenues from demand-billed customers provided by electric distribution utilities pursuant to Section 5.304(B).
 6. Demand-Billed Energy Revenues means the energy revenues from demand-billed customers provided by electric distribution utilities pursuant to Section 5.304(B).
 7. Demand-Billed kWh Sales means the kWh sales to demand-billed customers provided by electric distribution utilities pursuant to Section 5.304(B).
 8. Dollar Value of Exempt Deliveries means the dollar value attributed to the kWh deliveries made by Vermont Marble to OMYA, Inc. as provided by Vermont Marble pursuant to Section 5.304(B).

9. Exempt Customer kWh Sales means the sum of all kWh sales to customers exempted from paying the Energy Efficiency Charge, as provided by all electric distribution utilities pursuant to Section 5.304(B).
10. Exempt kWh Deliveries means the kWh deliveries by Vermont Marble to OMYA, Inc. as provided by Vermont Marble pursuant to Section 5.304(B).
11. When Industrial is used in conjunction with another defined term, it means the defined term shall include only information related to Industrial Customers.
12. kWh Sales means the kWh Sales provided by electric distribution utilities pursuant to Section 5.304(B).
13. Light Size means the nominal wattage of an unmetered street or security light.
14. Over- or Under-Collections means the sum of the bulleted items listed in Section 5.304(D) for electric distribution utilities. This may be a positive or negative number.
15. Prior Year Total Budget means the Total Budget that the Board had previously determined should be collected in the prior year (as opposed to the next year). For example, the Energy Efficiency Charge rates for 2006 will be set in 2005. In that year, the Prior Year Total Budget would be the Total Budget for 2004, while the Total Budget referred to in the calculation methodologies would be the Total Budget for 2006.
16. Rate Revenues means the Rate Revenues provided by electric distribution utilities pursuant to Section 5.304(B).
17. When Residential is used in conjunction with another defined term, it means the defined term shall include only information related to Residential Customers.
18. When Statewide is used immediately preceding another defined term, it means the other defined term shall include information related to all electric distribution utilities.
19. Total Budget means the total amount to be collected statewide via the Energy Efficiency Charge for energy efficiency services in the year for which the Energy Efficiency Charge is being set, as determined by the Board. This amount includes funds for support of the EEU as well as BED's budget for core programs, the Contract Administrator, the Fiscal Agent, the independent audit of the EEU Fund, the DPS's EEU evaluation activities, the cost of publishing an annual newspaper notice regarding the new Energy Efficiency Charge rates (see Section 5.308(B)), and such other costs as the Board may approve. This amount does not include funds for payment of the gross revenue tax (30 V.S.A. § 22) and the fuel gross receipts or "weatherization" tax (33 V.S.A. § 2503) applicable to the Energy Efficiency Charge. This amount also does not include funds needed to "true-up" prior year Energy Efficiency Charge over- or under-collections, and prior year distribution utility uncollectible amounts related to the Energy Efficiency Charge.

20. Total Rate Revenues means the Total Rate Revenues provided by electric distribution utilities pursuant to Section 5.304(B).
21. Uncollectibles means the sum of the bulleted items listed in Sections 5.304(C)(1) and 5.302(C)(2) for electric distribution utilities.
22. For the year 2007 and any other second year following the expiration of a contract between the Board and an entity serving as the EEU, Uncommitted Funds means the amount raised by the Energy Efficiency Charge which, as of the end of the calendar year in which a contract between the Board and an entity serving as the EEU expires, exceeds the amount which the EEU has spent plus the amount which it has not spent but is obligated to pay. The term excludes amounts raised by the Energy Efficiency Charge which are, as of that given date, encumbered under the Customer Credit Program or are necessary to pay obligations relating to the Contract Administrator, the Fiscal Agent, the DPS's EEU evaluation activities, gross revenue taxes (30 V.S.A. § 22), or weatherization taxes (33 V.S.A. § 2503). For all other years, Uncommitted Funds shall be equal to zero.
- (E) The Energy Efficiency Charge statewide rates shall be calculated using the following steps. These rates shall apply in the service territories of all electric distribution utilities except BED. All italicized terms are the inputs to the calculations as defined in Section 5.305(D).
- 1a. For the year 2007, and any subsequent year following the expiration of a contract between the Board and an entity serving as the EEU:
- If *Uncommitted Funds* < 0.05 * *Prior Year Total Budget*, then Budget Credit shall be determined by the Board in a separate process
- If *Uncommitted Funds* > 0.05 * *Prior Year Total Budget*, then Budget Credit = *Uncommitted Funds*
- 1b. For all other years, Budget Credit = 0
2. $Total\ Budget - BED\ Budget + (Statewide\ Uncollectibles - BED\ Uncollectibles) - Budget\ Credit = Amount\ to\ be\ Allocated$
- 3a. $(Statewide\ Residential\ Rate\ Revenues - Dollar\ Value\ of\ Exempt\ Residential\ Deliveries) / (Statewide\ Total\ Rate\ Revenues - Dollar\ Value\ of\ Exempt\ Residential,\ Commercial,\ and\ Industrial\ Deliveries) = Statewide\ Residential\ Revenue\ Percent$
- 3b. $(Statewide\ Commercial\ Rate\ Revenues - Dollar\ Value\ of\ Exempt\ Commercial\ Deliveries) / (Statewide\ Total\ Rate\ Revenues - Dollar\ Value\ of\ Exempt\ Residential,\ Commercial,\ and\ Industrial\ Deliveries) = Statewide\ Commercial\ Revenue\ Percent$
- 3c. $(Statewide\ Industrial\ Rate\ Revenues - Dollar\ Value\ of\ Exempt\ Industrial\ Deliveries) / (Statewide\ Total\ Rate\ Revenues - Dollar\ Value\ of\ Exempt\ Residential,\ Commercial,\ and\ Industrial\ Deliveries) = Statewide\ Industrial\ Revenue\ Percent$

- 4a. $(\text{Amount to be Allocated} * \text{Statewide Residential Revenue Percent}) - (\text{Statewide Residential Over- or Under-Collections} - \text{BED Residential Over- or Under-Collections}) = \text{Statewide Residential Collection Amount}$
- 4b. $(\text{Amount to be Allocated} * \text{Statewide Commercial Revenue Percent}) - (\text{Statewide Commercial Over- or Under-Collections} - \text{BED Commercial Over- or Under-Collections}) = \text{Statewide Commercial Collection Amount}$
- 4c. $(\text{Amount to be Allocated} * \text{Statewide Industrial Revenue Percent}) - (\text{Statewide Industrial Over- or Under-Collections} - \text{BED Industrial Over- or Under-Collections}) = \text{Statewide Industrial Collection Amount}$
- 5a. $\text{Statewide Residential Collection Amount} / (\text{Statewide Residential kWh Sales} - (\text{Exempt Residential Customer kWh Sales} + \text{Exempt Residential kWh Deliveries} + \text{BED Residential kWh Sales})) = \text{Statewide Residential kWh Rate}$
- 5b. $\text{Statewide Commercial Collection Amount} / (\text{Statewide Commercial kWh Sales} - (\text{Exempt Commercial Customer kWh Sales} + \text{Exempt Commercial kWh Deliveries} + \text{BED Commercial kWh Sales})) = \text{Statewide Commercial kWh Rate}$
- 5c. $\text{Statewide Industrial Collection Amount} / (\text{Statewide Industrial kWh Sales} - (\text{Exempt Industrial Customer kWh Sales} + \text{Exempt Industrial kWh Deliveries} + \text{BED Industrial kWh Sales})) = \text{Statewide Industrial kWh Rate}$
- 6a. $\text{Statewide Commercial Demand-Billed Energy Revenues} / (\text{Statewide Commercial Demand-Billed Energy Revenues} + \text{Statewide Commercial Demand-Billed Demand Revenues}) = \text{Statewide Commercial Demand-Billed Energy Revenue Percent}$
- 6b. $1 - \text{Statewide Commercial Demand-Billed Energy Revenue Percent} = \text{Statewide Commercial Demand-Billed Demand Revenue Percent}$
- 6c. $\text{Statewide Industrial Demand-Billed Energy Revenues} / (\text{Statewide Industrial Demand-Billed Energy Revenues} + \text{Statewide Industrial Demand-Billed Demand Revenues}) = \text{Statewide Industrial Demand-Billed Energy Revenue Percent}$
- 6d. $1 - \text{Statewide Industrial Demand-Billed Energy Revenue Percent} = \text{Statewide Industrial Demand-Billed Demand Revenue Percent}$
- 7a. $(\text{Statewide Commercial Demand-Billed kWh Sales} - \text{BED Commercial Demand-Billed kWh Sales}) * \text{Statewide Commercial kWh Rate} = \text{Statewide Commercial Demand-Billed Collection Amount}$
- 7b. $(\text{Statewide Industrial Demand-Billed kWh Sales} - \text{BED Industrial Demand-Billed kWh Sales}) * \text{Statewide Industrial kWh Rate} = \text{Statewide Industrial Demand-Billed Collection Amount}$
- 8a. $(\text{Statewide Commercial Demand-Billed Collection Amount} * \text{Statewide Commercial Demand-Billed Energy Revenue Percent}) / (\text{Statewide Commercial Demand-Billed kWh Sales} - \text{BED Commercial Demand-Billed kWh Sales}) = \text{Statewide Commercial Demand-Billed kWh Rate}$

- 8b. $(\text{Statewide Commercial Demand-Billed Collection Amount} * \text{Statewide Commercial Demand-Billed Demand Revenue Percent}) / (\text{Statewide Commercial Demand-Billed Billed Peak kW Sales} - \text{BED Commercial Demand-Billed Billed Peak kW Sales}) = \text{Statewide Commercial Demand-Billed kW Rate}$
- 8c. $(\text{Statewide Industrial Demand-Billed Collection Amount} * \text{Statewide Industrial Demand-Billed Energy Revenue Percent}) / (\text{Statewide Industrial Demand-Billed kWh Sales} - \text{BED Industrial Demand-Billed kWh Sales}) = \text{Statewide Industrial Demand-Billed kWh Rate}$
- 8d. $(\text{Statewide Industrial Demand-Billed Collection Amount} * \text{Statewide Industrial Demand-Billed Demand Revenue Percent}) / (\text{Statewide Industrial Demand-Billed Billed Peak kW Sales} - \text{BED Industrial Demand-Billed Billed Peak kW Sales}) = \text{Statewide Industrial Demand-Billed kW Rate}$
9. Statewide Commercial kWh Rate * *Light Size* * 360 hours per month = Statewide Unmetered Street and Security Light Monthly Rate. A utility may petition the Board for approval to use the total wattage of the light and an alternative number of hours per month when performing this calculation.
- 10a. $\text{Statewide Residential kWh Rate} / 0.99 = \text{Final Statewide Residential kWh Rate}$
- 10b. $\text{Statewide Commercial kWh Rate} / 0.99 = \text{Final Statewide Commercial kWh Rate}$
- 10c. $\text{Statewide Commercial Demand-Billed kWh Rate} / 0.99 = \text{Final Statewide Commercial Demand-Billed kWh Rate}$
- 10d. $\text{Statewide Commercial Demand-Billed kW Rate} / 0.99 = \text{Final Statewide Commercial Demand-Billed kW Rate}$
- 10e. $\text{Statewide Industrial kWh Rate} / 0.99 = \text{Final Statewide Industrial kWh Rate}$
- 10f. $\text{Statewide Industrial Demand-Billed kWh Rate} / 0.99 = \text{Final Statewide Industrial Demand-Billed kWh Rate}$
- 10g. $\text{Statewide Industrial Demand-Billed kW Rate} / 0.99 = \text{Final Statewide Industrial Demand-Billed kW Rate}$
- 10h. $\text{Statewide Unmetered Street and Security Light Monthly Rate} / 0.99 = \text{Final Statewide Unmetered Street and Security Light Monthly Rate}$
- (F) The Energy Efficiency Charge rates for BED's service territory shall be calculated using essentially the same methodology as that listed in Section 5.305(E), except that all inputs shall be specific to BED's service territory. As a result, the Energy Efficiency Charge rate for BED's service territory shall be calculated using the following steps. All italicized terms are the inputs to the calculations as defined in Section 5.305(D).
1. $\text{BED Budget} + \text{BED Uncollectibles} = \text{BED Amount to be Allocated}$

- 2a. $BED\ Residential\ Rate\ Revenues / BED\ Total\ Rate\ Revenues = BED\ Residential\ Revenue\ Percent$
- 2b. $BED\ Commercial\ Rate\ Revenues / BED\ Total\ Rate\ Revenues = BED\ Commercial\ Revenue\ Percent$
- 2c. $BED\ Industrial\ Rate\ Revenues / BED\ Total\ Rate\ Revenues = BED\ Industrial\ Revenue\ Percent$
- 3a. $(BED\ Amount\ to\ be\ Allocated * BED\ Residential\ Revenue\ Percent) - BED\ Residential\ Over- or\ Under-Collections = BED\ Residential\ Collection\ Amount$
- 3b. $(BED\ Amount\ to\ be\ Allocated * BED\ Commercial\ Revenue\ Percent) - BED\ Commercial\ Over- or\ Under-Collections = BED\ Commercial\ Collection\ Amount$
- 3c. $(BED\ Amount\ to\ be\ Allocated * BED\ Industrial\ Revenue\ Percent) - BED\ Industrial\ Over- or\ Under-Collections = BED\ Industrial\ Collection\ Amount$
- 4a. $BED\ Residential\ Collection\ Amount / (BED\ Residential\ kWh\ Sales - BED\ Exempt\ Residential\ Customer\ kWh\ Sales) = BED\ Residential\ kWh\ Rate$
- 4b. $BED\ Commercial\ Collection\ Amount / (BED\ Commercial\ kWh\ Sales - BED\ Exempt\ Commercial\ Customer\ kWh\ Sales) = BED\ Commercial\ kWh\ Rate$
- 5a. $BED\ Commercial\ Demand-Billed\ Energy\ Revenues / (BED\ Commercial\ Demand-Billed\ Energy\ Revenues + BED\ Commercial\ Demand-Billed\ Demand\ Revenues) = BED\ Commercial\ Demand-Billed\ Energy\ Revenue\ Percent$
- 5b. $1 - BED\ Commercial\ Demand-Billed\ Energy\ Revenue\ Percent = BED\ Commercial\ Demand-Billed\ Demand\ Revenue\ Percent$
- 5c. $BED\ Industrial\ Demand-Billed\ Energy\ Revenues / (BED\ Industrial\ Demand-Billed\ Energy\ Revenues + BED\ Industrial\ Demand-Billed\ Demand\ Revenues) = BED\ Industrial\ Demand-Billed\ Energy\ Revenue\ Percent$
- 5d. $1 - BED\ Industrial\ Demand-Billed\ Energy\ Revenue\ Percent = BED\ Industrial\ Demand-Billed\ Demand\ Revenue\ Percent$
- 6a. $BED\ Commercial\ Demand-Billed\ kWh\ Sales * BED\ Commercial\ kWh\ Rate = BED\ Commercial\ Demand-Billed\ Collection\ Amount$
- 6b. $BED\ Industrial\ Demand-Billed\ kWh\ Sales * BED\ Industrial\ kWh\ Rate = BED\ Industrial\ Demand-Billed\ Collection\ Amount$
- 7a. $(BED\ Commercial\ Demand-Billed\ Collection\ Amount * BED\ Commercial\ Demand-Billed\ Energy\ Revenue\ Percent) / BED\ Commercial\ Demand-Billed\ kWh\ Sales = BED\ Commercial\ Demand-Billed\ kWh\ Rate$

- 7b. $(\text{BED Commercial Demand-Billed Collection Amount} * \text{BED Commercial Demand-Billed Demand Revenue Percent}) / \text{BED Commercial Demand-Billed Billed Peak kW Sales} = \text{BED Commercial Demand-Billed kW Rate}$
- 7c. $(\text{BED Industrial Demand-Billed Collection Amount} * \text{BED Industrial Demand-Billed Energy Revenue Percent}) / \text{BED Industrial Demand-Billed kWh Sales} = \text{BED Industrial Demand-Billed kWh Rate}$
- 7d. $(\text{BED Industrial Demand-Billed Collection Amount} * \text{BED Industrial Demand-Billed Demand Revenue Percent}) / \text{BED Industrial Demand-Billed Billed Peak kW Sales} = \text{BED Industrial Demand-Billed kW Rate}$
8. $\text{BED Commercial kWh Rate} * \text{Light Size} * 354 \text{ hours per month} = \text{BED Unmetered Street and Security Light Monthly Rate}$
- 9a. $\text{BED Residential kWh Rate} / 0.99 = \text{Final BED Residential kWh Rate}$
- 9b. $\text{BED Commercial kWh Rate} / 0.99 = \text{Final BED Commercial kWh Rate}$
- 9c. $\text{BED Commercial Demand-Billed kWh Rate} / 0.99 = \text{Final BED Commercial Demand-Billed kWh Rate}$
- 9d. $\text{BED Commercial Demand-Billed kW Rate} / 0.99 = \text{Final BED Commercial Demand-Billed kW Rate}$
- 9e. $\text{BED Industrial Demand-Billed kWh Rate} / 0.99 = \text{Final BED Industrial Demand-Billed kWh Rate}$
- 9f. $\text{BED Industrial Demand-Billed kW Rate} / 0.99 = \text{Final BED Industrial Demand-Billed kW Rate}$
- 9g. $\text{BED Unmetered Street and Security Light Monthly Rate} / 0.99 = \text{Final BED Unmetered Street and Security Light Monthly Rate}$

5.306 Performance of Annual Calculation

- (A) By October 15 of each calendar year, the DPS may provide the Board its calculation of the Energy Efficiency Charge rates to be effective with bills rendered on and after the following February 1. Any such calculation shall use the inputs specified in Section 5.304 and the methodologies specified in Sections 5.305(E) and 5.305(F). If the DPS provides such a calculation, the Board shall review the calculation and, by November 1, announce its decision regarding the final Energy Efficiency Charge rates to be effective with bills rendered on and after the following February 1.
- (B) If the DPS elects not to provide the Board with the calculation described in Section 5.306(A), the Board itself shall calculate the Energy Efficiency Charge rates to be effective with bills rendered on and after the following February 1. By November 1, the Board shall announce its decision regarding the final Energy Efficiency Charge rates to be effective with bills rendered on and after the following February 1.

5.307 Decimal Places

- (A) All final Energy Efficiency Charge kWh rates shall be calculated to five decimal places and all final Energy Efficiency Charge kW rates shall be calculated to four decimal places.
- (B) Notwithstanding Section 5.307(A), if an electric distribution utility's billing system cannot accommodate the required number of decimal places, it may calculate the energy and/or demand rates using as many decimal places as its billing system can use, up to the required number. Any rounding shall be done by rounding numbers 1 through 4 down, and 5 through 9 up.
- (C) On or before September 15 of each calendar year, using the electronic and/or paper format designated by the Board for this purpose and other data reporting requirements (see Section 5.304(B)), each electric distribution utility shall provide to the Board and the DPS the number of decimal places its billing system can accommodate for kWh and kW rates.

5.308 Customer Notice

- (A) Annually, in all of its December billing cycles, each electric distribution utility shall publish notice to customers, through a bill insert or newsletter, of the Energy Efficiency Charge rates that will take effect with bills rendered on or after February 1 of the following year, in such form as the Clerk of the Board approves. If, however, an electric distribution utility uses postcard or "printed through the envelope" billing and therefore is unable to provide a bill insert or newsletter, the electric distribution utility shall provide notice to customers of the Energy Efficiency Charge rates that will take effect with bills rendered on or after February 1 of the following year in such form as the Clerk of the Board approves. If a utility uses an identical form to that approved by the Clerk of the Board in a prior year, except for the actual amounts of the EEC rates and the effective date of the new rates, it shall not be necessary for the utility to obtain the Clerk of the Board's approval for the new notice.

Each electric distribution utility may request reimbursement from the Contract Administrator for the incremental cost of adding the notice to a bill insert or newsletter which otherwise would be issued to its customers, or, if the electric distribution utility is unable to provide a bill insert or newsletter, the electric distribution utility may request reimbursement from the Contract Administrator for the incremental cost of the form of notice approved by the Clerk of the Board. Any requests for reimbursement must be received by the Contract Administrator by February 20 of the year in which the new Energy Efficiency Charge rates will take effect.

- (B) In December of each year, the Board may, at its discretion, publish a newspaper notice stating the Energy Efficiency Charge rates that will take effect with bills rendered on or after February 1 of the following year, and such other matters as the Board may deem appropriate. Publishing the newspaper notice will be paid for by funds collected via the Energy Efficiency Charge.

5.309 Payment of the Energy Efficiency Charge to the Fiscal Agent

- (A) Each electric distribution utility shall send to the Fiscal Agent the total amount of the Energy Efficiency Charge billed to customers no later than 23 days after the end of the billing month. By the same date, each electric distribution utility shall also provide the

Fiscal Agent with documentation supporting its calculation of the total amount of the Energy Efficiency Charge billed to customers for the relevant billing month.

5.310 Reimbursement to Electric Distribution Utilities for Uncollectible Amounts Related to the Energy Efficiency Charge

- (A) On or before February 20 of each calendar year, each electric distribution utility seeking reimbursement for uncollectible amounts related to the prior year's Energy Efficiency Charge shall submit an invoice to the EEU Contract Administrator setting forth the amounts calculated in accordance with 5.304(C), except that each electric distribution utility shall substitute actual uncollectibles for any estimates used in the 5.304(C) calculation.

- (B) On or before March 1 of each calendar year, the EEU Fiscal Agent shall pay each electric distribution utility that submitted an invoice pursuant to Section 5.310(A), the total Energy Efficiency Charge uncollectible amount for the electric distribution utility's service territory in the prior calendar year. Such payments by the EEU Fiscal Agent shall be subject to the "Guidelines for Disbursements from the Energy Efficiency Fund" adopted by the Board as part of its oversight of the Fiscal Agent, as the Board may amend from time to time.